GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1654
ANSWERED ON:09.03.2007
REDUCTION OF HEALTH INSURANCE PREMIUM
Reddy Shri Magunta Sreenivasulu

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to regulate healthcare charges for various ailments and diseases levied by private and speciality hospitals and accordingly fix the healthcare insurance premium for all categories of people including senior citizens;

(b) if so, the details thereof;

(c) whether the Government proposes to reduce premium rates for healthcare insurance to attract more individuals;

(d) if so, the details thereof; and

(e) the steps taken by ths Government to check overcharging by healthcare providers in cases of treatment of patieuts covered by insurance?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): No, Sir.

(c) & (d): In view of increasing outgo on mediclaim portfolio which is in the range of 125% to 150% of the gross premium under mediclaim pollicies for the last three years, the companies are in the process of revising upwards the premium rates of mediclaim insurance.

(e)\ The system of Third Party Administrators (TPA) was introduced as per Insurance Regulatory and Development Authority (Third Party Administrators-Health Services) Regulations, 2001 with the aim of bringing more professionalism in. claims management, facilitate cash-less services to the policyholders and to reduce the claims ratio. The insurers and the TPAs are seized of the issue of overcharging by health care providers for treatment of patients covered by insurance and are taking necessary steps through discussions between TPAs and Service Providers (Hospitals) with a view to standardize the clinical procedures and the charges thereof. Fi rther, the Insurance Regulatory and Development Authority (IRDA) has organized training tc a minimum of 2 employees of each TPA on ICD- iO Coding under the aegis of the Bureau of Central Health Intelligence under the Ministry of Health and Family Welfare.